SECNAVINST 4105.1D
ASN (RD&A)
12 Mar 18

SECNAV INSTRUCTION 4105.1D

From:  Secretary of the Navy

Subj:  INDEPENDENT LOGISTICS ASSESSMENT AND CERTIFICATION
       REQUIREMENTS

Ref:   (a) DoDI 5000.02, CH-3 of 10 August 2017
       (b) SECNAVINST 5000.2E
       (c) SECNAVINST 5400.15C, CH-1
       (d) 2017 National Defense Authorization Act, Section 849
           codified at 10 U.S.C. Section 2441
       (e) DoD Logistics Assessment Guidebook of July 2011
       (f) NAVSO P-3692, Independent Logistics Assessment
           Handbook of June 2017

Encl:  (1) Responsibilities
       (2) Independent Logistics Assessment Certification
           Criteria

1.  <u>Purpose</u>.  To implement the requirements of references (a)
and (b) regarding policy and guidance for Independent Logistics
Assessments (ILA) and to standardize the ILA certification
process across the Department of the Navy (DON).

2.  <u>Cancellation</u>.  SECNAVINST 4105.1C.

3.  <u>Background</u>.  Consistent with references (a) through (e), the
ILA process provides the Milestone Decision Authority (MDA),
program manager, program sponsor, customer, product support
manager and other stakeholders with a measure of the program's
Integrated Product Support (IPS) planning and execution.
Assessments independent of the system developers ensure an
impartial evaluation of a program's product support elements.

4.  <u>Applicability</u>.  This instruction applies to all DON
Acquisition Category (ACAT) programs including joint service

programs, whether the DON is the executive, participating, or lead service and covers systems that are developed, operated, maintained, or supported by the Navy and/or Marine Corps.  The Strategic Weapons Systems, under the responsibility of the Director, Strategic Systems Programs, and the Nuclear Power Directorate of the Naval Sea Systems Command are exempt.

5.  Policy.  Results of an ILA shall provide the overall basis for the assessment of a program's product support strategy's health and risk.  For those programs subject to the two pass/six gate review process, ILA results and certifications should be a primary input into gates four through six corresponding to the respective milestones.  ILAs shall be conducted:

    a.  Prior to and serve as entrance criteria to milestones B, C, and the Full Rate Production (FRP) decision or Full Deployment Decision (FDD).  Where the timeframe between milestones or the identified decisions exceeds five years, an ILA shall be conducted at a minimum of every five years and if possible, coincide with a major systems engineering technical review;

    b.  Not later than two years after the FRP decision or FDD, and a maximum of every five years thereafter throughout sustainment for ACAT I and II programs (post FRP/FDD ILAs are not required for ACAT III and IV programs).  Post FRP and FDD ILAs will be conducted with the user as part of the assessment team, and focus on effectiveness and affordability of product support and any deficiencies identified by the user.  Programs should consider using the post FRP and FDD ILA as an integral part of their post implementation review process.  Post FRP or FDD ILAs conducted on ACAT I programs must also include assessment of the nine elements identified in reference (d), which are documented in the reference (f) post FRP and FDD assessment criteria.  A status of those elements shall be documented in the ILA report and be summarized in the appendix to the Life Cycle Sustainment Plan that documents the results of the ILA.  The ILA team shall include a subject matter expert as resourced by the DON Center for Cost Analysis to assess the cost related criteria per reference (d).  Post FRP ILA reports shall be provided to the Under Secretary of Defense for Acquisition and Sustainment within 30 days of completion of the report; and,

c.  On joint service programs for Navy and/or Marine Corps segments where the DON is the lead or joint program manager, the designated DON acquisition executive shall require completion of an ILA and certification of the results prior to review by the MDA.  ILAs must be conducted for all joint service programs, whether the DON is the executive, participating, or lead service, and on programs where the MDA is not the Navy (e.g., ACAT ID).
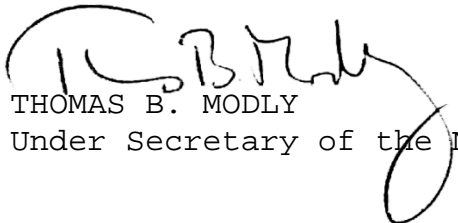
6.  Responsibilities.  See enclosure (1).

7.  Records Management

a.  Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned according to the Big Bucket Records Schedule found on the Directives and Records Management Division (DRMD) portal page: https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/SitePages/Home.aspx.

b.  For questions concerning the management of records related to this instruction or the Big Bucket Records Schedule, please contact your local Records Manager or the DRMD program office.

8.  Reports.  The reports contained in enclosure (1), paragraphs 2a, 5b, 5g, and 5i are exempt from reports control, per SECNAV Manual 5214.1, Part IV paragraph 7l of December 2005.

THOMAS B. MODLY
Under Secretary of the Navy

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**RESPONSIBILITIES**

1. <u>Deputy Assistant Secretary of the Navy (Expeditionary Programs and Logistics Management) (DASN (ELM))</u>:

    a. Ensure compliance with the requirements of this instruction and oversee the timely implementation and effectiveness of the ILA and certification process;

    b. Attend selected ACAT I and II ILAs to monitor policy and process compliance; and,

    c. Establish an ILA executive steering committee to assist in revising policy and guidance, as required, to ensure the effectiveness of the logistics assessment process.

2. <u>DASN (Air), DASN (Ships), DASN (Command, Control, Communications, Computers and Intelligence), DASN (Unmanned Systems) and DASN (ELM) shall</u>:

    a. Review assessment reports, Plan of Action and Milestones (POA&Ms) and corrective actions for their respective ACAT I and II programs. Where appropriate, consider adding major or high risk findings to the acquisition decision memorandum; and,

    b. Advise and provide recommendations to the Assistant Secretary of the Navy (Research, Development and Acquisition) (ASN (RD&A)) of the adequacy of a program's product support for each milestone and at other major program decisions.

3. <u>Stakeholders</u>. As identified in reference (f), stakeholders are encouraged to participate in ACAT I and II program ILAs as appropriate.

4. <u>DON Center for Cost Analysis</u>. As required by reference (d), DON Center for Cost Analysis shall resource their participation in Post FRP ILAs conducted on ACAT I programs to assess the cost related.

5. <u>The Program Executive Office (PEO), Systems Command (SYSCOM) commander or program manager, as appropriate shall</u>:

    a. Ensure IPS planning, resources, risk, and execution are independently assessed for compliance with program

specifications, objectives, and milestones.  This independent
assessment shall be accomplished on a schedule that supports
acquisition milestones, and periodically thereafter throughout
sustainment with the user per paragraph 5(a)1 and 5(a)2 of this
policy;

    b.  Report and certify to the MDA prior to milestones B and
C, FRP or FDD, the adequacy and program health of IPS planning,
management, resources, affordability, risk mitigation, and
execution for cognizant ACAT programs.  Certification shall be
based on the results of the ILA using the criteria contained in
enclosure (1).  For major defense acquisition programs and ACAT
I and II programs where ASN (RD&A) is the MDA, ILA reports and
certifications are provided to the MDA and key DON stakeholders
no later than four weeks prior to the scheduled milestone,
fielding decision, FRP, or FDD.  In addition to key DON
stakeholders, PEOs shall also copy the Deputy Assistant
Secretary of Defense (Materiel Readiness) on their ILA
certifications and reports for ACAT ID programs.  Reports and
certifications for ILAs conducted on joint programs shall also
be provided to the MDA for the other service(s);

    c.  For ILAs conducted after the FRP decision or FDD, report
to the program sponsor and key DON stakeholders the adequacy and
program health of IPS execution, management, resources,
affordability, and risk mitigation.  Reporting shall be based on
the results of the ILA using the criteria contained in reference
(f);

    d.  Ensure appropriate notification is provided to all
stakeholders, participants, and user representatives as
identified in reference (f) prior to the initiation of each
assessment;

    e.  Ensure ILAs are conducted using the guidance contained
in reference (f);

    f.  Designate a qualified team leader in coordination with
the PEO/SYSCOM ILA Lead for all ILAs and provide the resources
to establish an assessment team.  The team leader is a
government employee responsible for selecting qualified team
members.  Qualifications for team leaders and members are as
follows:

(1) Independence:  Team leaders and members shall be independent of the program.  In order to avoid conflicts of interest, independence is defined as an individual who is not active nor has been recently active in the management, design, test, production, or product support planning of the program, whether from the program office or competency, supporting field activity or as a member of a contractor activity.

(2) Education:  Defense Acquisition Workforce Improvement Act Level (DAWIA) III certification for team leaders and Level II or equivalent for team members.  Military team members are exempt from the DAWIA certification or equivalency requirement.

(3) Experience:  Team leaders shall have participated in at least one ILA.  Team members shall have experience in the functional area they are assessing.

(4) End user and resource sponsor representatives shall be invited to participate in acquisition ILAs and are key assessors in post-FRP and FDD ILAs.  They are exempt from the above education requirements.

g.  Provide assessment reports and certifications to the MDA and appropriate stakeholders no later than four weeks prior to the scheduled acquisition milestone review, decision meeting, or corresponding gate review.  Where the ASN (RD&A) or higher authority is the MDA, provide assessment reports and certifications to the cognizant DASN; DASN (ELM) Logistics Management Division; Deputy Chief of Naval Operations (DCNO) (Fleet Readiness and Logistics)(N4); or Deputy Commandant (Installations and Logistics) (DC (I&L)) and all other appropriate stakeholders.  ILAs must be completed within six months of a planned acquisition milestone event and no later than four weeks prior to the actual scheduled milestone decision meeting.  For post-FRP and FDD ILAs, reports shall be provided to the operational owner, and resource sponsor, DASN (ELM) Logistics Management Division; DCNO (N4); or DC (I&L); and to other stakeholders as defined in each SYSCOM's or PEO's process;

h.  In conjunction with the report and certification, ensure a POA&M addressing ILA recommended corrective actions is provided.  The POA&M shall be coordinated with the team leader;

i.  Ensure corrective actions are performed, per the POA&M, and submitted to the PEO/SYSCOM ILA Lead for closure. Corrective actions status reports shall be provided to the PEO/SYSCOM ILA Lead on a schedule as identified in the POA&M, but at least quarterly until all actions are complete.  Upon validated closeout of corrective actions, or if the corrective action is no longer required due to programmatic changes, the PEO/SYSCOM ILA Lead will issue notification of closure to the program office per the PEO or SYSCOM documented process;

j.  Ensure a documented process is in place that implements the requirements of this instruction and addresses the overall management of ILAs and product support strategy certification; and,

k.  Ensure that schedule dates for their ILAs are current in the ASN (RD&A) Information System under the program ILA Documentation header on a quarterly basis for ACAT I and II programs.

6.  ILA team leads shall:

a.  Ensure the program is assessed against all applicable IPS factors and criteria identified in reference (f), regardless of the product support strategy.  Ensure the ILA report identifies the IPS factors assessed during the review and provide rationale for each area not assessed;

b.  Ensure the ILA report contains findings and/or opportunities for improvement, if applicable based on a review of the program, and should identify program concurrence or non-concurrence with the findings.  The report content and format should follow the guidance in reference (f) and provide a recommendation for or against logistics certification;

c.  Use the guidance and the risk matrix contained in reference (f); categorize each IPS factor as either red (high risk), yellow (moderate risk) or green (low risk), which provides the basis for the supportability risk assessment and overall program certification rating identified in enclosure (2).

**INDEPENDENT LOGISTICS ASSESSMENT CERTIFICATION CRITERIA**

Acquisition Category program certifications are to be categorized utilizing the criteria below.

1.  <u>Green (Low Risk - Ready To Proceed)</u>.  A program is logistically certified as GREEN when there are no or only minor findings.  Each finding has an approved mitigation plan in place to eliminate the finding prior to the milestone decision.  There is no impact in the program's ability to meet logistics performance requirements within cost and schedule.

2.  <u>Yellow (Moderate Risk – Proceed With Caution)</u>.  A program is conditionally logistically certified as YELLOW when there are findings of moderate risk and should proceed to the milestone when there are established, detailed, corrective action plans in place.  However, the resolution of the finding may not occur prior to the milestone decision and requires continued monitoring.  Once the action is completed, there is no expected degradation to logistics performance requirements and minimal impact to cost and schedule.  Once identified actions are resolved as verified by the PEO/SYSCOM (ILA) Lead, the program is considered logistically low risk and the ILA is closed.

3.  <u>Red (High Risk - Not Ready To Proceed, Program Is Not Supportable)</u>.  A program is not logistically certified and is RED, or HIGH RISK when there are findings or actions outstanding that have substantial impact on the program's ability to meet logistics performance requirements within cost and schedule. The program should not proceed to a milestone decision until detailed, corrective action plans are developed and in place, which will result in meeting minimum logistics performance requirements with acceptable impacts to cost and schedule.  Only after these plans are in place and properly resourced to the satisfaction of the PEO/SYSCOM ILA Lead, is the program considered to be logistically recertified and rated as YELLOW or GREEN, as appropriate.